

Energy Fuels Resources Corporation  
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Lakewood, Colorado 80228  
(303) 974-2144

Gen Correspondence  
cc: Susan  
Paul  
RECEIVED 0002  
FEB 06 2007  
DIV. OF OIL, GAS & MINING

February 1, 2007

Mr. Russ Means

Colorado Division of Reclamation Mining and Safety  
101 South 3<sup>rd</sup>, Suite 301  
Grand Junction, CO 81501

Transmittal: New Prospect NOI – Packrat Project  
Modification to Existing NOI – Whirl Wind Tunnel  
Mesa County, Colorado

Dear Russ:

Enclosed are two copies of two separate Notice of Intents (NOIs) to Conduct Prospecting Operations on unpatented uranium claims on public lands managed by the U.S. Bureau of Land Management (BLM). The first NOI is an application for reopening the Packrat Mine portal and conducting sampling activities including the mining of a bulk ore sample of up to 999 tons. The Packrat Mine was reclaimed in 2002 and the previous reclamation was fully released by your office and the BLM. Energy Fuels Resources Corporation (Energy Fuels) proposes to disturb approximately 1.6 acres of surface area in reopening the access road and constructing a working pad area in front of the mine portals. An application fee of \$75 is enclosed.

The second NOI is a modification to the existing NOI P-2005-008 for the nearby Whirl Wind Tunnel that Little Maverick Mining Company reopened in 2005. The modifications are relatively minor. Energy Fuel proposes to obtain a bulk ore sample of up to 999 tons by driving a 700-foot drift. However, in order to do so, the underground workings have to be first brought up to MSHA safety requirements. This will include upgrading the current electrical and ventilation systems and rehabbing the back and rib support in some areas of the tunnel. No additional surface disturbance beyond the existing disturbance of approximately 1.6 acres is proposed.

As part of the Packrat sampling program, Energy Fuels had originally planned to reopen a reclaimed 60-inch ventilation shaft that is located just across the state line in Utah on BLM managed public land. After further investigation, it was determined that the former vent shaft had been reclaimed by backfilling the entire shaft from the bottom to the top. This was done because of a caving problem that precluded the use of just a surface seal. Reopening of this shaft is not practical and Energy Fuels is not proposing any immediate exploration activity on the Utah side of the border. However, we are currently preparing a mine and reclamation plan for the entire Whirlwind claim block that will include proposed ventilation holes and access roads in Utah. This plan will be submitted to the Grand County BLM office and to the Utah Division of Oil, Gas and Mining (DOGM) at the same time it is submitted to the Mesa County BLM office and the Colorado Division of Reclamation Mining and Safety (DRMS). We plan to also work closely with both Mesa County, Colorado and Grand County, Utah to acquire any local or conditional use permits that they may require. ✓

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*Mr. Russ Means*

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Energy Fuels would like to bond the proposed Packrat exploration activity under the umbrella of our Colorado Statewide Prospecting Bond No. K07346323 in the amount of \$50,000. As discussed in Lee Sutherland's letter of January 9, 2007 to Bruce Fowler at the BLM, Little Maverick Mining Company has agreed to leave their existing reclamation bond for the Whirl Wind Tunnel NOI in place to cover the proposed bulk sampling program. Energy Fuels intends to replace both exploration bonds with a mine reclamation bond when these two sites plus additional areas are combined in the future under a single mine and reclamation permit.

Please call me at 303-974-2146 with any questions or concerns that you may have regarding these NOIs. A field inspection may be arranged with Dick White (970-864-7775), who is located at our Nucla office. Thank you, in advance, for your assistance. We look forward to working with you on these projects.

Sincerely,



Frank Filas, P.E.  
Environmental Manager

Enclosures

Cc: Bruce Fowler, BLM – Grand Jct. (w/enclosures)  
Jim Komatinsky, Mesa County (w/enclosures)  
Dick White, EFRC – Nucla (w/enclosures)  
G. Lewicki, GL&A (w/enclosures)  
L. Sutherland, LMMC – Naturita  
F. Bain, BLM – Moab  
P. Baker, DOGM  
Environmental File (w/enclosures)